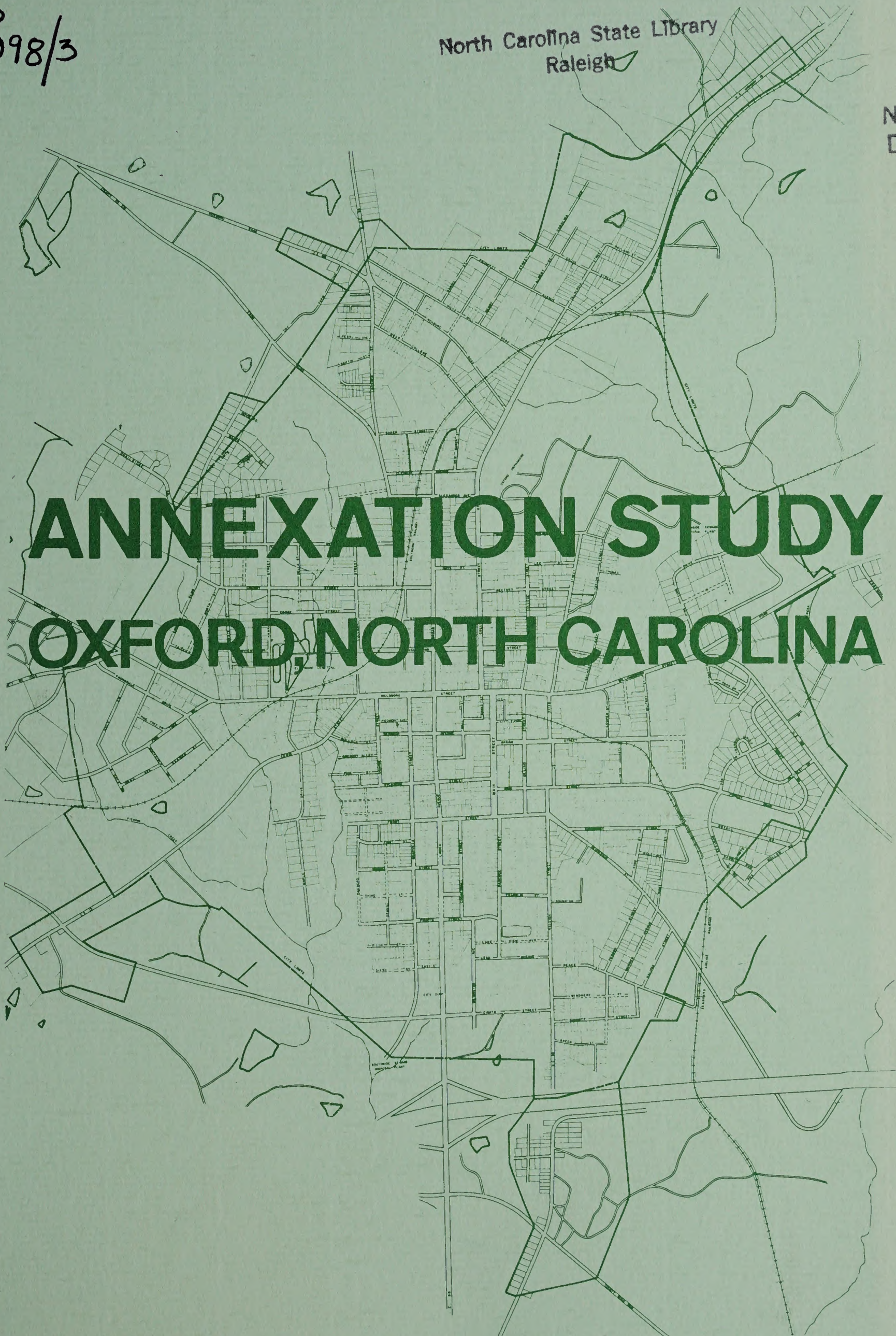


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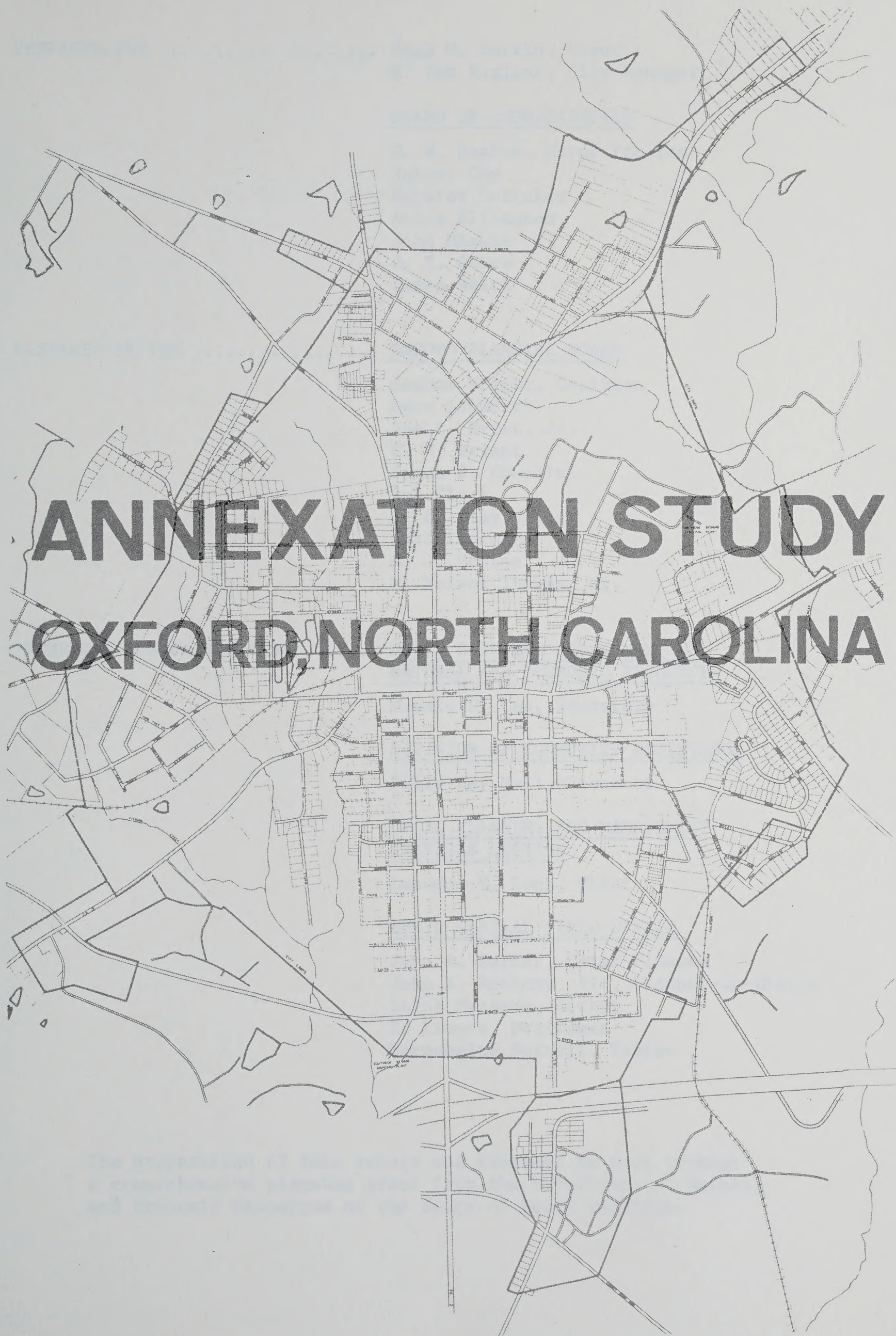
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ANNEXATION STUDY

OXFORD, NORTH CAROLINA



ANNEXATION STUDY

OXFORD, NORTH CAROLINA



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a comprehensive planning grant from the Department of Natural
and Economic Resources of the State of North Carolina.

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INTRODUCTION

The Oxford Board of Commissioners is studying the possibility of annexing seven areas contiguous to the present city limits. Some of the reasons advanced for annexation are: (1) that annexation will bring an automatic increase in the city's population; which will increase the city's share of state and federal funds, (2) annexation will enable the city to adequately extend its urban services, such as police and fire protection, garbage collection, street maintenance, and water and sewer service into the areas of urban development, which surround the present city boundaries. The extension of services to these areas will not only benefit the present residents of the annexed areas, but will help to attract additional growth into these new areas of the city. Finally the tax base of the city will be increased allowing the city to provide better services to all its residents.

Annexation will have a number of advantages for both the residents of the annexed areas and the city. For the residents it will mean receiving the full range of city services, police and local fire protection, lower fire insurance rates and a political voice in local matters. The advantage to the city would be not only the obvious ones such as the increase in state and federal funds, allocated on the basis of population, or the increase in ad valorem property taxes and such, the attraction to new industry, business and commercial establishments, and to people in general, is enhanced by the proper and directed growth of a city.

This report analyzes seven potential areas for annexation. It explores their present composition, what services would be provided to the areas, the potential revenues, and the potential costs. It is hoped that this report will be of aid to the Commissioners in their decision making process.

The Legal Basis and Methods of Annexation

The policy of the North Carolina General Assembly regarding annexation by municipalities with populations of 5,000 or more is set forth in the General Statutes, (G.S. 160A-45).

160A-45 Declaration of policy. — It is hereby declared as a matter of State policy:

- (1) That sound urban development is essential to the continued economic development of North Carolina;
- (2) That municipalities are created to provide the governmental services essential for sound urban development and for the protection of health, safety and welfare in areas being intensively used for residential, commercial, industrial, institutional and governmental purposes or in areas undergoing such development;
- (3) That municipal boundaries should be extended in accordance with legislative standards applicable throughout the State, to include such areas and to provide the high quality of governmental services needed therein for the public health, safety and welfare;
- (4) That new urban development in and around municipalities having a population of 5,000 or more persons is more scattered than in and around smaller municipalities, and that such larger municipalities have greater difficulty in expanding municipal utility systems and other service facilities to serve such scattered development, so that the legislative standards governing annexation by larger municipalities must take these facts into account if the objectives set forth in this section are to be attained.
- (5) That areas annexed to municipalities in accordance with such uniform legislative standards should receive the services provided by the annexing municipality as soon as possible following annexation. (1959, c. 1009, s. 1; 1973, c. 426, s. 74)

An annexation may be carried out in three possible ways which are as follows:

Annexation by Legislative Action

Annexation by 100 Percent Petition

Annexation Subject to Development Standards and Service Requirements According to Statutory Standards. A city may annex any area, without need for public referendum, if that area meets the following conditions (G.S. 160A-48):

- (1) It must be adjacent or contiguous to the municipality's boundaries at the time the annexation proceeding is begun.
- (2) At least one eighth of the aggregate external boundaries of the area must coincide with the municipal boundary.
- (3) No part of the area shall be included within the boundary of another incorporated municipality, and

- (4) Has a total resident population equal to at least two persons for each acre of land included within its boundaries; or
- (5) Has a total resident population equal to at least one person for each acre of land included within its boundaries, and is subdivided into lots and tracts such that at least sixty percent (60%) of the total acreage consists of lots and tracts five acres or less in size and such that at least sixty percent (60%) of the total number of lots and tracts are one acre or less in size; or
- (6) Is so developed that at least sixty percent (60%) of the total number of lots and tracts in the area at the time of annexation are used for residential, commercial, industrial, institutional or governmental purposes, and is subdivided into lots and tracts such that at least sixty percent (60%) of the total acreage, not counting the acreage used at the time of annexation for commercial, industrial, governmental or institutional purposes, consists of lots and tracts five acres or less in size.

The city must make plans for the extension of public services into the annexed area, and it must present these plans at a public hearing, before it can proceed with annexation. These plans must include, (G.S. 160A-47).

160A-47 Prerequisites to annexation; ability to serve; report and plans.-- A municipality exercising authority under this Part shall make plans for the extension of services to the area proposed to be annexed and shall, prior to the public hearing provided for in G.S. 160A-49, prepare a report setting forth such plans to provide services to such area. The report shall include:

- (1) A map or maps of the municipality and adjacent territory to show the following information:
 - a. The present and proposed boundaries of the municipality.
 - b. The present major trunk water mains and sewer interceptors and outfalls, and the proposed extensions of such mains and outfalls as required in subdivision (3) of this section.
 - c. The general land use pattern in the area to be annexed.
- (2) A statement showing that the area to be annexed meets the requirements of G.S. 160A-48.
- (3) A statement setting forth the plans of the municipality for extending to the area to be annexed each major municipal service performed within the municipality at the time of annexation. Specifically, such plans shall:
 - a. Provide for extending police protection, fire protection, garbage collection and street maintenance services to the area to be annexed on the date of annexation on substantially the same basis and in the same manner as such services are provided within the rest of the municipality prior to annexation. If a water distribution system is not available

- in the area to be annexed, the plans must call for reasonably effective fire protection services until such time as waterlines are made available in such area under existing municipal policies for the extension of waterlines.
- b. Provide for extension of major trunk water mains and sewer outfall lines into the area to be annexed so that when such lines are constructed, property owners in the area to be annexed will be able to secure public water and sewer service, according to the policies in effect in such municipality for extending water and sewer lines to individual lots or subdivisions.
 - c. If extension of major trunk water mains and sewer outfall lines into the area to be annexed is necessary, set forth a proposed timetable for construction of such mains and outfalls as soon as possible following the effective date of annexation. In any event, the plans shall call for contracts to be let and construction to begin within 12 months following the effective date of annexation.
 - d. Set forth the method under which the municipality plans to finance extension of services into the area to be annexed. (1959, c. 1009, s. 3; 1973, c. 426, s. 74.)

In the laws governing this method of annexation, the General Assembly has most thoroughly expressed its intentions regarding annexation, so it is this method that Oxford will use. The purpose of this report is to identify those areas contiguous to Oxford that meet the statutory requirements for annexation, to develop plans for extending municipal services into these areas, and to determine costs and revenues that would result from the proposed annexations.

In addition to the requirements of the North Carolina General Assembly and regardless of the method of annexation, all cities in Granville County are required to submit their annexation proceedings to the U. S. Department of Justice for review. In accordance with the Voting Rights Act of 1965, the Department of Justice examines all annexations in Granville County to determine if the voting rights of minorities will be abridged by the annexation proceedings.

METHODOLOGY

The areas proposed here for annexation were selected because they were either undergoing urban development or were already developed. Some of these areas were already receiving certain city services.

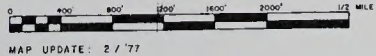
The acreage of each of the areas was computed by the use of a compensating polar planimeter. The population of each area was estimated by multiplying the number of dwelling units by the average population per household; the figure of 3.1 persons/household was obtained from the 1970 Census of Population.

The maps used were drawn from Oxford's base maps, updated to 1977. Land use surveying was done through the winter and spring of 1977.

ANNEXATION STUDY AREAS



OXFORD
NORTH CAROLINA



Study Areas

Area I

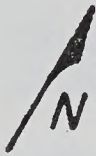
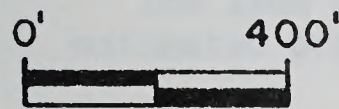
Area I is located on the southeast side of Oxford in the Green Acres subdivision. It is bounded on the north and west by the present city limit and on the south and east along property and lot lines.

The land use of the area is residential, presently containing 15 households. The estimated population for the area is 46.5.

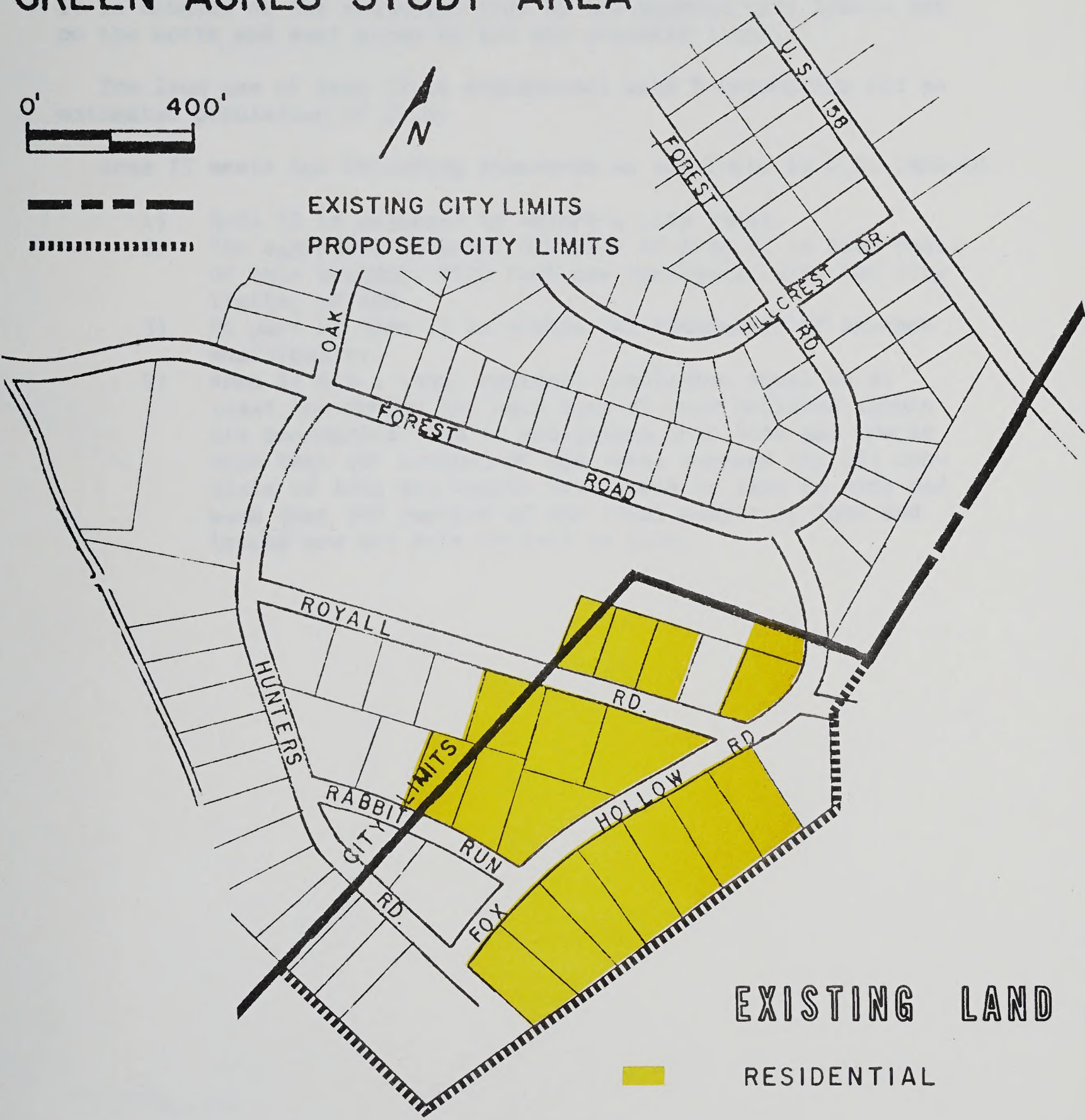
The area meets the following conditions of G.S. 160A-48.

- 1) Area I is adjacent to Oxford's present boundary.
- 2) The aggregate external boundary of Area I is 4040 feet. Of this boundary 1910 feet or 47.3% is contiguous with the present city limit.
- 3) No part of Area I is within the boundary of another municipality.
- 4) Area I is developed for urban purposes due to having a resident population of 2.28/acre. Total acreage is 20.42.

GREEN ACRES STUDY AREA



EXISTING CITY LIMITS
PROPOSED CITY LIMITS



EXISTING LAND USE
RESIDENTIAL

Area II

Area II is on the west side of Oxford along Country Club Drive. It is bounded on the southeast side by the present city limits and on the north and west sides by lot and property lines.

The land use of Area II is residential with 8 households and an estimated population of 24.8.

Area II meets the following standards as set forth in G.S. 160A-48.

- 1) Area II is adjacent to Oxford's city limit.
- 2) The aggregate external boundary of Area II is 4560 feet. Of this boundary 2100 feet are contiguous with the city limits, or 46%.
- 3) No part of Area II is within the boundaries of another municipality.
- 5) Area II has a total resident population equal to at least one person for each acre of land included within its boundaries, and is subdivided into lots and tracts such that 100 percent of the total acreage (15.06) consists of lots and tracts five acres or less in size and such that 100 percent of the total number of lots and tracts are one acre or less in size.

COUNTRY CLUB DRIVE STUDY AREA

EXISTING LAND USE



RESIDENTIAL



EXISTING CITY LIMITS
PROPOSED CITY LIMITS

Area III

Area III is located north of Oxford along U.S. 15. It is bound on the south by the existing city limits, on the east by the Southern Railway right of way, on the north by property lines and on the west by a line 150 feet back from the highway.

The land use in Area III is principally residential. Near the present city limits are a restaurant and two garages. There are 21 residences.

The area meets the following criteria as set forth in G.S. 160A-48.

- 1) The area is adjacent to Oxford's present boundary.
- 2) The aggregate external boundary of the area is 6,750 feet. 920 feet or 14% of this is contiguous to the present city limit.
- 3) No part of Area III is within another municipality.
- 4) Area III is developed for urban purposes due to having a resident population of 2.26 people per acre. Total population is estimated at 65.1 and the total acreage of the area is 28.87 acres.

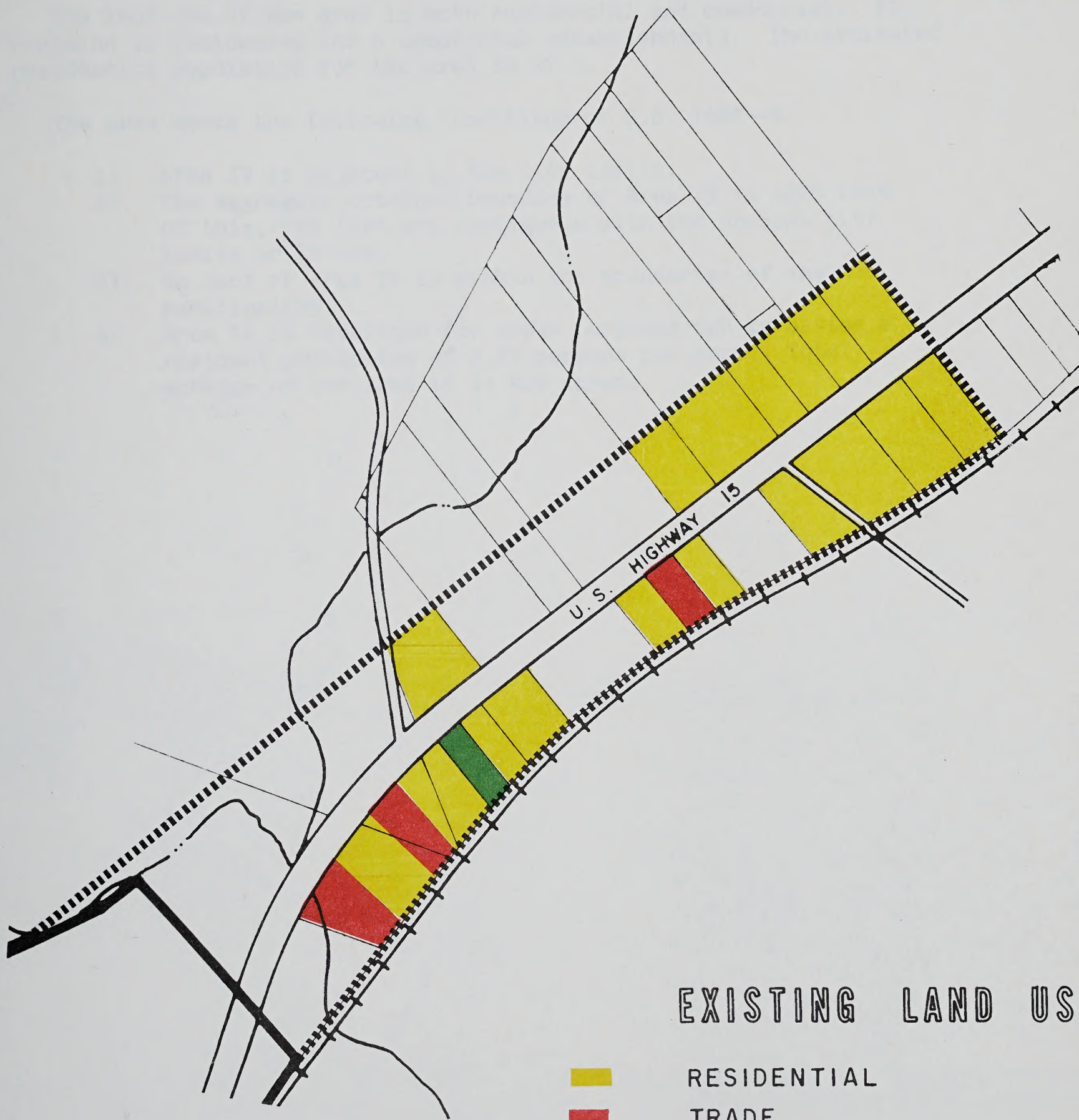
U.S. 15 NORTH STUDY AREA



EXISTING CITY LIMITS



PROPOSED CITY LIMITS



EXISTING LAND USE



RESIDENTIAL



TRADE



SERVICES

Area IV

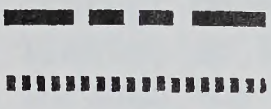
Area IV is located on the northwest side of Oxford along Roxboro Road (U.S. 158) and Virgilina Road (N.C. 96). It is bounded on the east by the city limit and the rest runs along property lines and some pasture land.

The land use of the area is both residential and commercial. It contains 12 residences and 6 commercial establishments. The estimated residential population for the area is 37.2.

The area meets the following conditions of G.S. 160A-48.

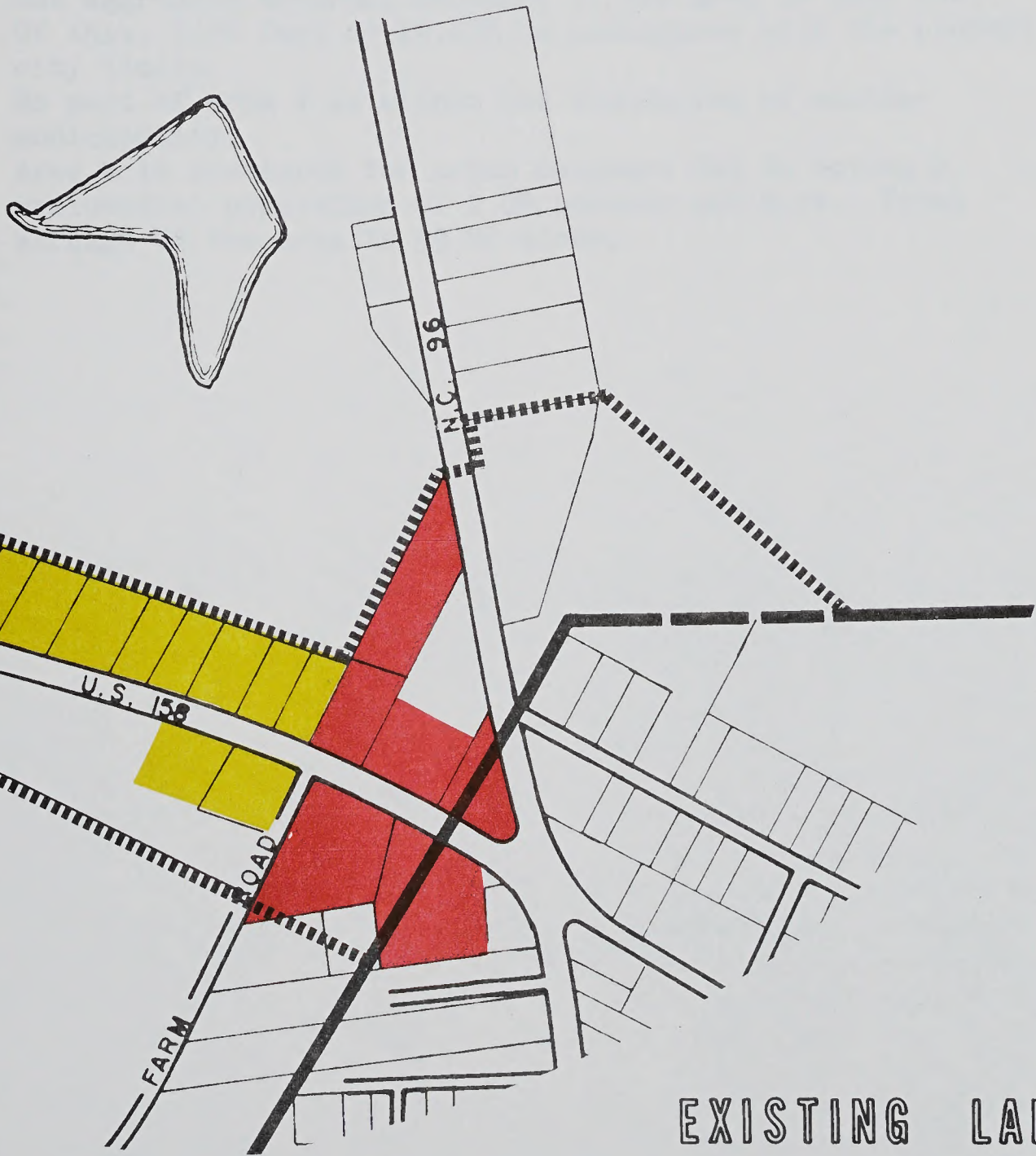
- 1) Area IV is adjacent to the city limits.
- 2) The aggregate external boundary of Area IV is 4225 feet. Of this, 780 feet are contiguous with the present city limits or 18.46%.
- 3) No part of Area IV is within the boundaries of another municipality.
- 4) Area IV is developed for urban purposes due to having a resident population of 2.57 persons per acre. Total acreage of the area is 14.434 acres.

ROXBORO ROAD STUDY AREA




EXISTING CITY LIMITS

PROPOSED CITY LIMITS



EXISTING LAND USE

-  RESIDENTIAL
-  TRADE
-  SERVICES

Area V

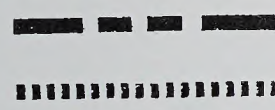
Area V is located on the southeast side of Oxford along Raleigh Road and the Central Orphanage. It is bounded on the north by the present city limits, on the west and south along developed properties and the east through the Central Orphanage property.

The land use of the area is principally residential with both single family dwellings and the orphanage. Interstate 85 is also a prominent feature of the area. The estimated population of the area is 207. (127 household residents and 80 orphanage residents.)

The area meets the following conditions of G.S. 160A-48.

- 1) It is adjacent to Oxford's present boundary.
- 2) The aggregate external boundary of the area is 9020 feet. Of this, 1320 feet or 14.63% is contiguous with the present city limits.
- 3) No part of Area V is within the boundaries of another municipality.
- 4) Area V is developed for urban purposes due to having a residential population of 2.08 persons per acre. Total acreage of the area is 99.50 acres.

ORPHANAGE STUDY AREA



EXISTING CITY LIMITS
PROPOSED CITY LIMITS

EXISTING LAND USE

- RESIDENTIAL
- CULTURAL, ENTERTAINMENT, & RECREATION

Area VI

Area VI is located on the south side of Oxford along Durham Road (U.S. 15) and Industry Drive. It is bounded on the north by the present city limits.

The land in the area is developed primarily for commercial uses with some 10 residences mixed in. Estimated population for the area is 31.

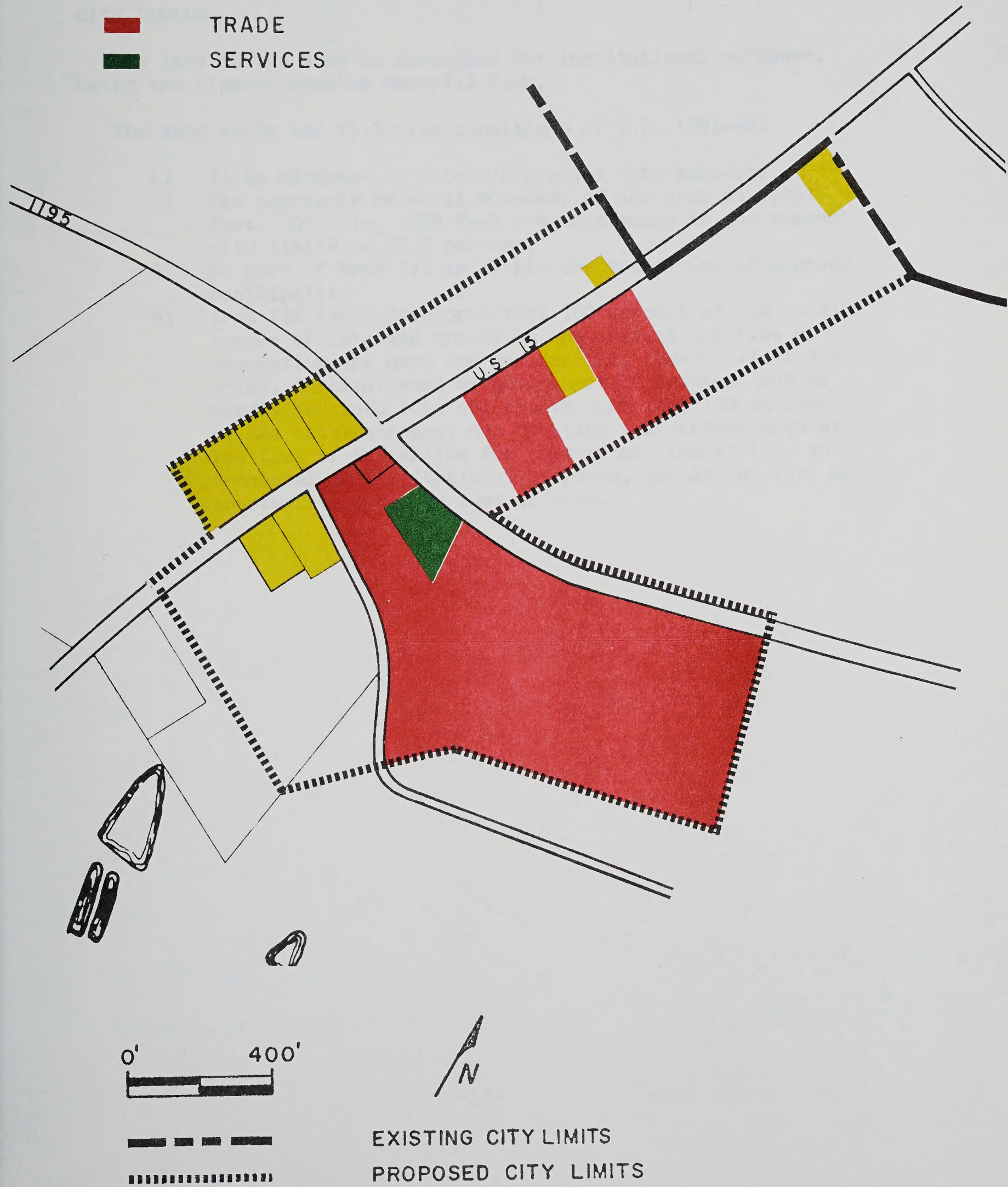
The area meets the following conditions of G.S. 160A-48.

- 1) It is adjacent to Oxford's present city boundary.
- 2) The aggregate external boundary of the area is 8,015 feet. Of this, 1300 feet are contiguous to the present city limit or 16.21%.
- 3) No part of Area VI is within the boundaries of another municipality.
- 6) Area VI is so developed that 81 percent of the total number of lots and tracts in the area at the time of annexation are used for residential, commercial, industrial, institutional or governmental purposes, and is subdivided into lots and tracts such that 68 percent of the total acreage, not counting the acreage used at the time of annexation for commercial, industrial, governmental or institutional purposes, consist of lots and tracts five acres or less in size.

U.S. 15 SOUTH STUDY AREA

EXISTING LAND USE

- RESIDENTIAL
- TRADE
- SERVICES



Area VII

Area VII is located on the southeast side of Oxford along the south side of Henderson Street. It is bounded on the west by the city limits.

The land in the area is developed for institutional purposes, being the Plummer Cheatam Memorial Park.

The area meets the following conditions of G.S. 160A-48.

- 1) It is adjacent to Oxford's present city boundary.
- 2) The aggregate external boundary of the area is 2,651 feet. Of this, 1529 feet are contiguous to the present city limits or 57.7 percent.
- 3) No part of Area VII is within the boundaries of another municipality.
- 6) Area VII is so developed that 100 percent of the total number of lots and tracts in the area at the time of annexation are used for residential, commercial, industrial, institutional or governmental purposes, and is subdivided into lots and tracts such that 100 percent of the total acreage, not counting the acreage used at the time of annexation for commercial, industrial, governmental or institutional purposes, consist of lots and tracts five acres or less in size.

CHEATAM MEMORIAL PARK AREA



0' 400'



EXISTING CITY LIMITS
PROPOSED CITY LIMITS



EXISTING LAND USE



SERVICES

CITY POLICIES ON EXTENSION OF SERVICES

G.S. 160A-47 requires the city to provide for extending police protection, fire protection, garbage collection and street maintenance services to the area to be annexed on substantially the same basis and in the same manner as services are provided to the rest of the municipality prior to annexation.

Water and Sewer Extensions

In accordance with the general principle that benefitted property shall partially bear the cost of water and/or sewer lines the following ruling has been used in Oxford. In areas that are not within currently developing subdivisions, a petition is required, signed by 51% of the landholders in the area. When the improvements are constructed property owners are assessed 50% of the cost on the basis of front footages.

Police Protection

Police protection will be extended to all newly annexed areas immediately upon annexation. This protection will be provided with existing personnel.

Fire Protection

Fire protection will be provided by the Oxford Fire Department immediately upon annexation. In all the areas except Area III water and fire hydrants are presently available.

Solid Waste Collection and Disposal

This service would be extended immediately under the contract the city has with the waste collection firm.

Street Paving

The city extends street paving on the same basis as water and sewer, with a 51% petition and the abutting property owners assessed 50% of the cost.

Street Lighting

This service is provided by Carolina Power and Light Company on a contract basis with the city.

REVENUE AND COST COMPUTATIONS

The revenues anticipated and the costs for the extension of services are of primary concern to the city in annexation proceedings. Ideally, for a project to be economically feasible, the revenues and costs should be about equal over the first five years.

Computations for both revenues and costs are only estimates based on the best information that is available.

Revenues

Estimates of the revenues which Oxford can anticipate if the proposed areas are annexed were obtained from the Oxford City Manager's Office, the city's annual audit reports and annual budget, and the Granville County Tax Office. All estimates are computed on an annual basis and represent the revenue that can be generated as the areas are presently developed.

It should be noted that some of the newest development has not been appraised and added to the tax rolls. Where this was encountered estimates were made. It was also felt that in certain cases an incomplete listing had been made. In these cases estimates were also made. This report was done using the tax listings from January 1, 1976 and therefore real and personal property values are conservative estimates.

1) Real Property Tax

The most important source of revenue for a city is the real property tax. Property values were obtained from the Granville County Tax Supervisor's Office. As noted previously, some estimates were necessary. Oxford presently has a tax rate of \$1.05 per \$100 valuation.

2) Personal Property Tax

Personal property tax values were obtained from the county tax office. As in the case of real property some estimates had to be made. Personal property is also assessed at \$1.05 per \$100 valuation.

3) Privilege License

Cities may levy a license tax on businesses and trades within the city. The revenue from this source was determined by the fees charged by Oxford for various businesses, if annexed.

4) Auto License

The City of Oxford requires that each motor vehicle owner living inside the city purchase and display a \$1.00 city license sticker. The license cost the city 10.7¢ each. Revenues were estimated based on a figure of \$.354/capita according to the FY 75-76 information. Multiplying \$.354 times the estimated population of an area gave the estimated revenues.

5) Franchise Tax

Franchise taxes are collected by the state from such public service companies as: gas, telephone, power and light, bus, water and sewer companies. Municipalities receive from the state 3% of the total gross receipts from the sale of these commodities within the municipality. In the 1975-76 fiscal year Oxford collected \$66,750 or \$9.09/capita. The estimated figure for each area was derived by multiplying the per capita times the estimated population of the area.

6) Intangible Tax

The state collects an intangible tax on personal property such as cash, stocks and bonds and returns 90 to 95 percent of these funds to the counties and municipalities on the basis of population and ad valorem tax levy. The City of Oxford currently receives \$.051/\$100 of ad valorem tax levy. Multiplying \$.051 times the estimated tax value of each area generates the estimated intangible tax increase.

7) Beer and Wine Tax

The state levies and collects a tax on beer and wine, of which slightly less than 50% is distributed to the counties and municipalities where beer and wine are allowed to be sold. Oxford allows the distribution of both beverages and shares in this revenue. Revenues are disbursed on the basis of population. During 1975-1976 this tax produced revenues of \$22,072 or approximately \$3.00 per capita. This was multiplied times the estimated population of each of the annexation areas.

8) ABC Funds

The Granville County ABC Board distributes a portion of its profits from operation to the municipalities within the county. Distribution is based on population with Oxford receiving 28% of the distributed funds. The 1975-1976 allocation was \$33,478 or \$4.56/capita. This figure was multiplied by the estimated population in the area proposed.

9) Powell Bill Funds

North Carolina collects a tax on every gallon of motor fuel sold in the state. From this tax, 1¢ on every gallon is distributed to the municipalities. Powell Bill funds are disbursed on the basis of population and locally maintained paved street mileage. Additional funds would become available to the city on the basis of increased street mileage and population. In 1975-1976 the allocation was \$9.26/capita and \$667.81/mile. Multiplying these figures by the estimated populations and the additional locally maintained street mileage produces these figures.

10) Revenue Sharing

The General Revenue Sharing allocations from the Federal Government are made on the basis of a rather complicated formula based on population, tax effort, income, and intergovernmental transfers. Because of the rather detailed formula no estimate has been made as to any increase possible due to annexation.

11) Water and Sewer Revenues

The city will charge all new customers of water and sewer services the rate that is in effect at the time of annexation. As most of the areas presently have water and sewer services available, and are paying a double rate, annexation will more than likely lead to a loss of revenue for these services.

Costs

1) Police Protection

Police protection provided by the city's twelve patrolmen amounted to a ratio of 1:612. Due to annexation the primary police cost would be the additional street mileage patrolled at \$.15/mile. No additional manpower was deemed necessary. Present per capita cost was figured at \$28.40; at some time in the future, this cost will probably be reflected in the budget figures.

2) Fire Protection

The city provides fire protection to city residents with both paid and volunteer firemen. Due to annexation no measurable cost was projected. The cost per capita of \$9.22 would at some time in the future be reflected in the city's budget.

3) Streets

The costs for maintaining streets in the annexation area were figured by the present per mile cost times the additional locally maintained street mileage due to annexation. Most of the roads in the annexation areas are state maintained and no increase to the city costs would occur. There are only two unpaved streets in the annexation area IV, and they would not be paved until a petition is received from the residents. Again this is on a 50% assessment basis.

4) Water and Sewer

The primary cost of water and sewer will be the loss of double rates being paid by those already on water and sewer. Water and sewer lines are extended by petition, on a 50% assessment basis.

5) Garbage Collection and Disposal

Garbage is collected by the city through a private contractor. A \$1.00 garbage disposal fee is charged each household in the city. The cost of garbage collection was based on a per household cost of \$51.57. This was multiplied times the number of households in the annexation areas.

6) Street Lighting

The city contracts with CP&L for its street lights, the cost is \$3.95/month/light, spaced at intersections and/or at approximately 500 foot intervals.

7) Administration

Administration and General Government costs were those for city offices, buildings, facilities, and grounds, etc. These costs on a per capita basis are artificially high when applied to individual annexation areas, therefore, have not been included in this report.

Area I

<u>Revenues</u>	<u>First Year</u>
Real Property (Value) Tax (\$445,454)	\$4,677
Personal Property (Value) Tax (\$127, 768)	1,342
Privilege License	0
Powell Bill	698
Auto License	17
Intangibles Tax	292
Franchise Tax	423
ABC Funds	212
Beer and Wine Tax	140
Water and Sewer Sales	<u>- 695</u>
Total	\$7,106

<u>Costs</u>	
*Water	\$ 0
*Sewer	0
Water & Sewer Maintenance	943
Fire Protection	0
Police Protection	99
Garbage Collection	774
Street Lighting	48
Street Maintenance	<u>2,588</u>
Total	\$4,452

*Water and sewer lines and fire hydrants within Area I are being installed at the developer's expense.

Difference (+) \$2,654

GREEN ACRES STUDY AREA



WATER AND SEWER

	EXISTING	PROPOSED
WATER LINES		
SEWER LINES		

Area II

Revenues

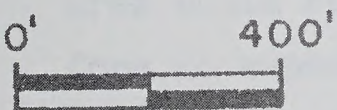
Real Property (Value) Tax	(\$267,753)	\$2,811
Personal Property (Value) Tax	(\$83,223)	874
Privilege License		0
Powell Bill		230
Auto License		9
Intangibles Tax		179
Franchise Tax		225
ABC Funds		113
Beer and Wine Tax		74
Water and Sewer Sales		- 368
Total		\$4,147

Costs

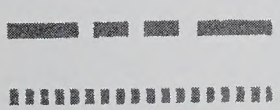
*Water	\$	0
*Sewer		0
Water & Sewer Maintenance		0
Fire Protection		0
Police Protection		128
Garbage Collection		412
Street Lighting		47
Street Maintenance		0
Fire Hydrants		700
Total		\$1,287
Difference		(+)\$2,860

*Water and sewer lines to serve the present residences are already in place. The additions to the existing lines will be made when more development has occurred; these costs will be borne by the developer.

COUNTRY CLUB DRIVE STUDY AREA



WATER AND SEWER



EXISTING CITY LIMITS
PROPOSED CITY LIMITS

	EXISTING	PROPOSED
WATER LINES		
SEWER LINES		

Area III

Revenues

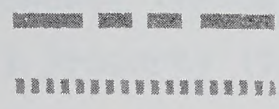
Real Property (Value) Tax	(\$121,963)	\$1,280
Personal Property (Value) Tax	(\$45,895)	482
Privilege License		45
Powell Bill		603
Auto License		23
Intangibles Tax		86
Franchise Tax		592
ABC Funds		297
Beer and Wine Tax		195
Water and Sewer Sales		0
Total		<hr/> \$3,603

Costs

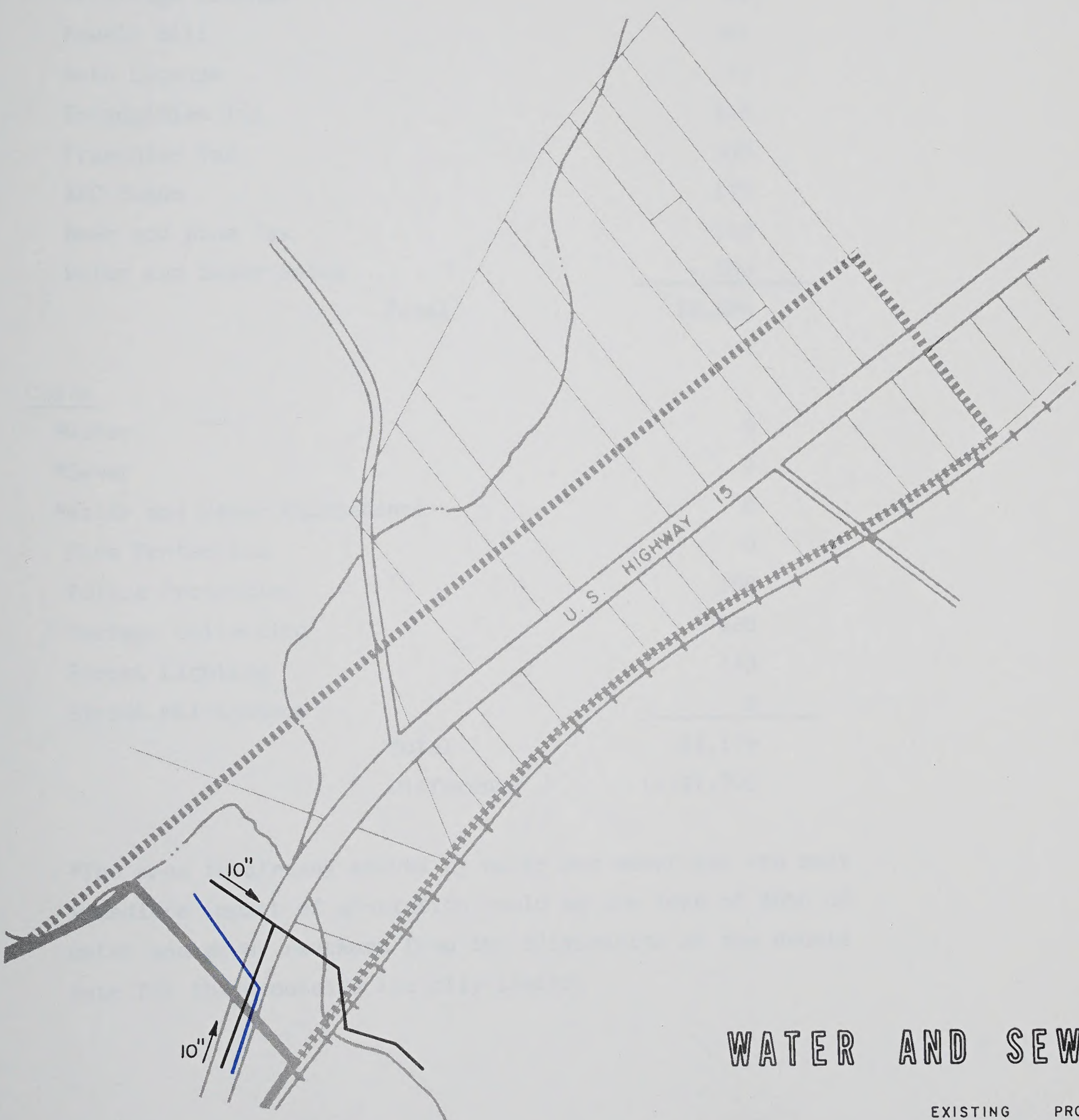
*Water	0
*Sewer	0
*Water and Sewer Maintenance	0
Fire Protection	0
Police Protection	148
Garbage Collection	1,289
Street Lighting	190
Street Maintenance	<u>0</u>
Total	\$1,627
Difference	(+) \$1,976

*It was felt that no petition by the property owners of the area would be forthcoming for water and sewer lines and therefore no expenses of this sort should be incurred by the city until such a petition is presented.

U.S. 15 NORTH STUDY AREA



EXISTING CITY LIMITS
PROPOSED CITY LIMITS



WATER AND SEWER

	EXISTING	PROPOSED
WATER LINES		
SEWER LINES		

Area IV

Revenues

Real Property (Value) Tax (\$129,915)	\$1,365
Personal Property (Value) Tax (\$90,442)	950
Privilege License	80
Powell Bill	344
Auto License	13
Intangibles Tax	112
Franchise Tax	338
ABC Funds	170
Beer and Wine Tax	112
Water and Sewer Sales	- 600
Total	<hr/> \$2,884

Costs

*Water	0
*Sewer	0
*Water and Sewer Maintenance	0
Fire Protection	0
Police Protection	108
Garbage Collection	928
Street Lighting	143
Street Maintenance	0
Total	<hr/> \$1,179
Difference	(+)\$1,705

*The area is already served by water and sewer and the most immediate impact of annexation would be the loss of \$600 of water and sewer revenues from the elimination of the double rate for those outside the city limits.

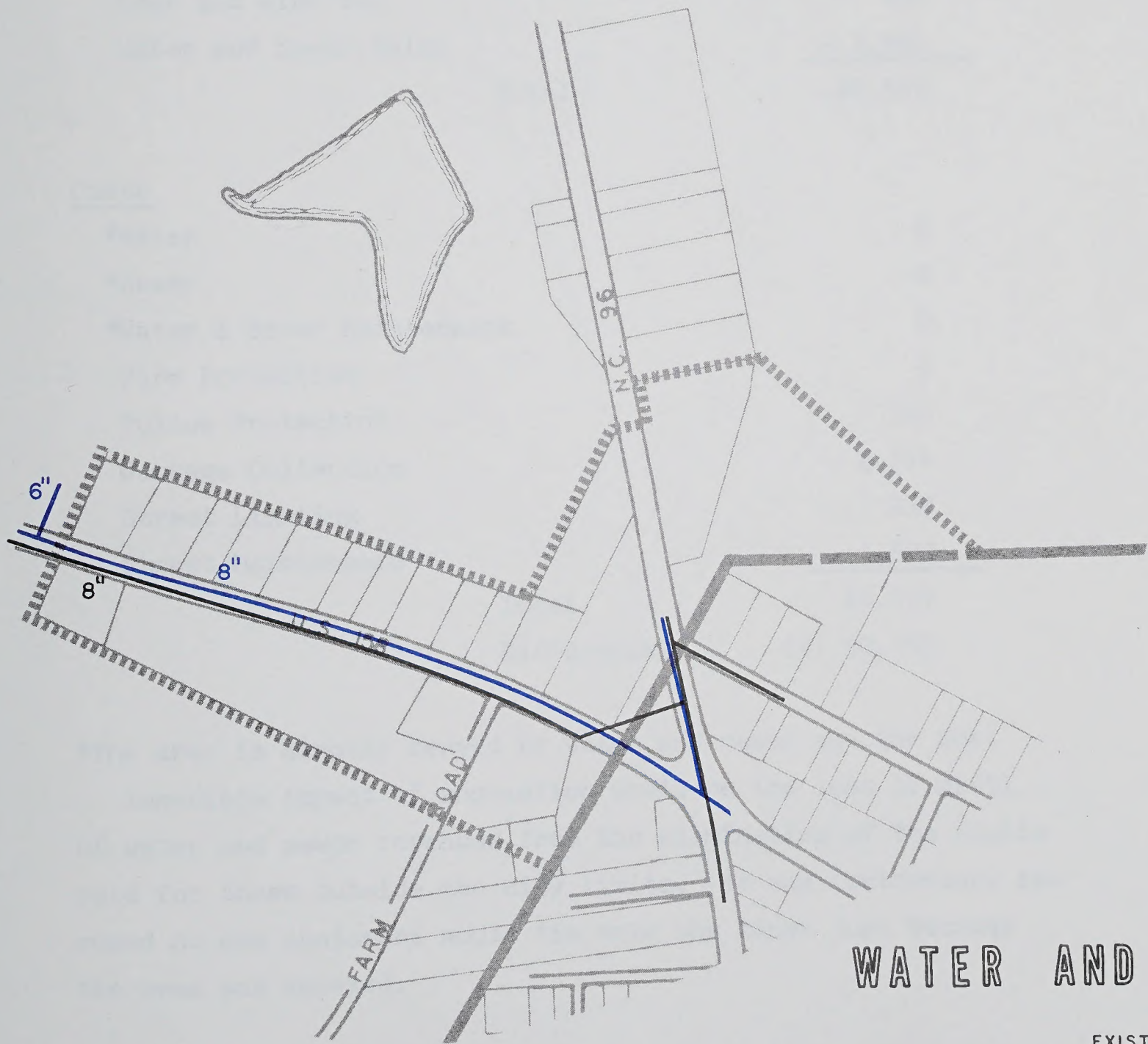
ROXBORO ROAD STUDY AREA



EXISTING CITY LIMITS



PROPOSED CITY LIMITS



WATER AND SEWER

	EXISTING	PROPOSED
WATER LINES		
SEWER LINES		

Area V

Revenues

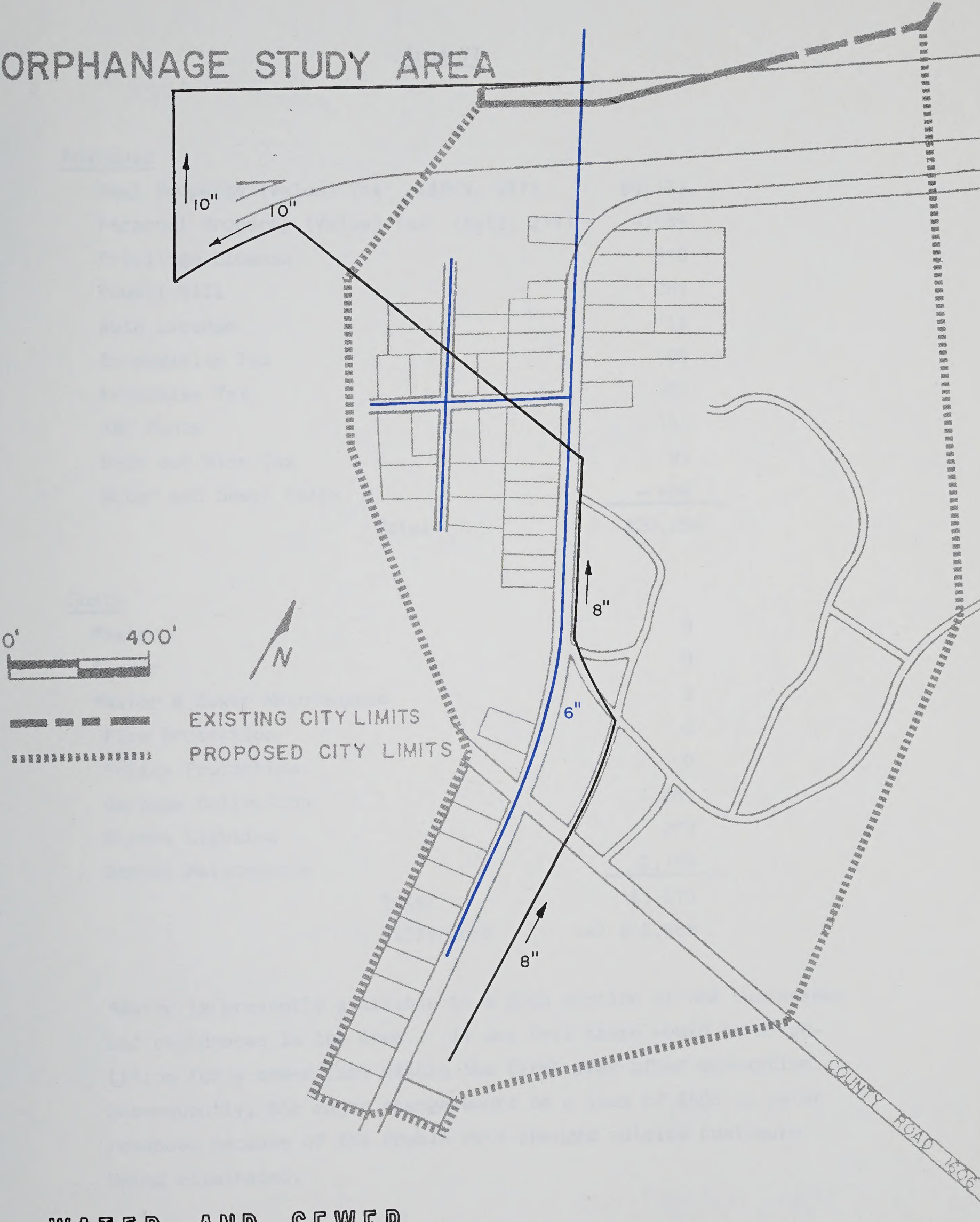
Real Property (Value) Tax (\$209,48)	\$2,195
Personal Property Tax	848
Privilege License	0
Powell Bill	1,917
Auto License	44
Intangibles Tax	148
Franchise Tax	1,881
ABC Funds	923
Beer and Wine Tax	621
Water and Sewer Sales	<u>- 1,991</u>
Total	\$6,576

Costs

*Water	0
*Sewer	0
*Water & Sewer Maintenance	0
Fire Protection	0
Police Protection	343
Garbage Collection	2,114
Street Lighting	237
Street Maintenance	<u>1,683</u>
Total	\$4,377
Difference	(+) \$2,199

*The area is already served by water and sewer and the most immediate impact of annexation would be the loss of \$1991 of water and sewer revenues from the elimination of the double rate for those outside the city limits. It was furthermore assumed no new customers would tie onto the lines just because the area was annexed.

ORPHANAGE STUDY AREA



WATER AND SEWER

	EXISTING	PROPOSED
WATER LINES		
SEWER LINES		

Area VI

Revenues

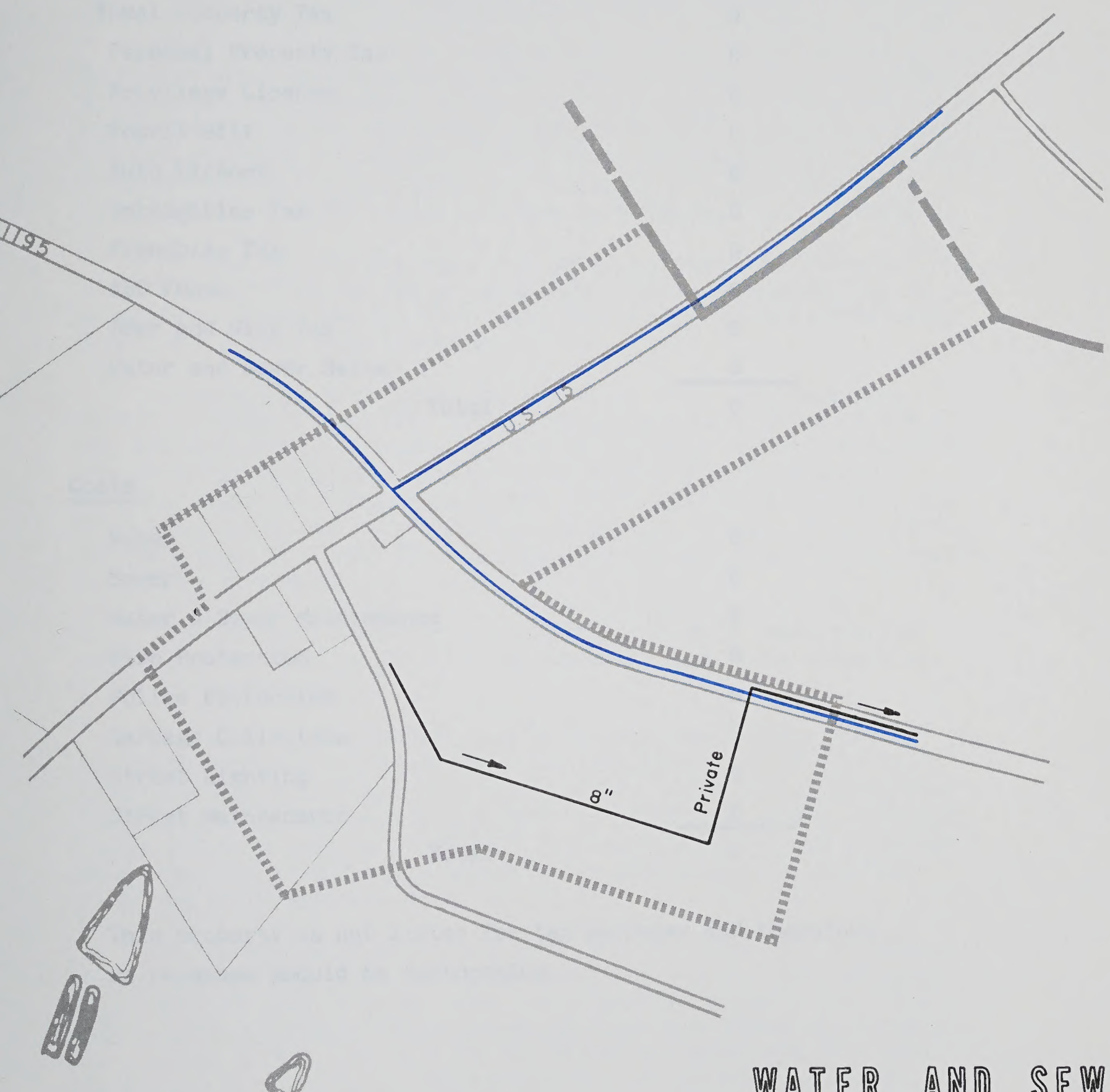
Real Property (Value) Tax (\$869, 817)	\$9,133
Personal Property (Value) Tax (\$913, 214)	9,589
Privilege License	310
Powell Bill	287
Auto License	11
Intangibles Tax	909
Franchise Tax	281
ABC Funds	141
Beer and Wine Tax	93
Water and Sewer Sales	<u>- 498</u>
Total	\$20,256

Costs

*Water	0
*Sewer	0
*Water & Sewer Maintenance	0
Fire Protection	0
Police Protection	0
Garbage Collection	1,289
Street Lighting	273
Street Maintenance	<u>2,108</u>
Total	\$3,670
Difference	(+) \$16,586

*Water is presently available to a good portion of the businesses and residences in the area . It was felt there would be no petition for a sewer line within the first year after annexation. Subsequently, the major change would be a loss of \$498 in water revenues because of the double rate charged outside customers being eliminated.

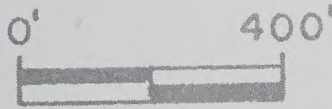
U.S. 15 SOUTH STUDY AREA



WATER AND SEWER

EXISTING PROPOSED

WATER LINES ——— ———
SEWER LINES ——— ———



EXISTING CITY LIMITS
PROPOSED CITY LIMITS

Area VII

Revenues

*Real Property Tax	0
Personal Property Tax	0
Privilege License	0
Powell Bill	0
Auto License	0
Intangibles Tax	0
Franchise Tax	0
ABC Funds	0
Beer and Wine Tax	0
Water and Sewer Sales	0
	<hr/>
Total	0

Costs

Water	0
Sewer	0
Water & Sewer Maintenance	0
Fire Protection	0
Police Protection	0
Garbage Collection	0
Street Lighting	0
Street Maintenance	0
	<hr/>
Total	0

This property is not listed for tax purposes and therefore no revenues should be forthcoming.

SUPPLEMENTAL NOTES ABOUT ANNEXATION

The figures show that each individual area being considered for annexation should generate more revenues than expenses. When all six are combined, total projected new revenues amount to \$44,572 while expenses should be only \$16,592 or a net increase of \$27,980.

Over time though, the probability of these areas receiving full water and sewer services seems good. When petitioned by more than 50 percent of the property owners, the city would be obligated to pay for 50 percent of the associated cost plus pay for installing fire hydrants—presently computed at \$700 each. Furthermore, all the areas under study should not require the necessity of a lift station; subsequently, the provisions of sewer services would be minimized.

In Area II, the provisions of water and sewer services to the undeveloped portion of the annexed area will be responsibility of the developer. Subsequently, over time, the present excess of revenues over costs should only increase.

In Area III, a petition for water and sewer services would result in costs to the city and the property owners alike of \$24,675; two additional fire hydrants would cost the city \$1400. Adding this figure to the anticipated \$1527 would produce a minimum cost of \$27,652. More extensive development of the land would increase the ad valorem taxes and other revenues to perhaps \$5000; at this figure, it would take in excess of five years for the water and sewer investment to be recovered.

The car wash operation along NC 96 in Area IV receives its water from the line on US 258. No new water and sewer lines along NC 96 are envisioned.

For Area V, should the property owners immediately north of the orphanage petition for sewer services, the city's portion of that 1280 foot line would amount to \$7500. This would of course increase the shown projected cost by a minimum of \$7500 and produce a deficit figure for that year of \$5301 (\$11,877 minus \$6576). Within approximately two and a half years though, this deficiency would be made up by the \$2199 surplus shown.

If the property owners along US 15 South (Area VI) petitioned for full water and sewer services, approximately 600 feet of water line and 1500 feet of sewer line would need to be installed. The city's portion of this would amount to \$2550 and \$9375 respectively for a total of \$11,925; to this sum should be added \$700 for one additional fire hydrant. Adding this sum to the shown cost of \$3670 would still result in a surplus of \$3961 (\$20,256 minus the sum of \$3670 plus \$12,625).

Both the immediate and foreseeable future revenues and costs for Area VII (Cheatam Memorial Park) should remain at a zero dollar figure. Over some period of time though, it is possible that the cemetery could be taken over by the city and thusly some expense would be involved in the maintenance.

In summation, under the reasonable assumption that no petition for extending water and sewer lines would be forthcoming that first year, the surpluses shown in each of the six study areas amount to \$27,980. Over a period of time, it is possible that petitions for water and/or sewer could be forthcoming but it would seem highly unlikely that these expenses would all be incurred in the same year.

SUMMATION OF FINDINGS AND RECOMMENDATIONS

In each of the seven areas examined, the projected revenues exceeded or at least were equal to the anticipated costs, as depicted by the below table.

TABLE 1
IMPACT OF POSSIBLE ANNEXATIONS

<u>Area</u>	<u>Financial</u>			<u>Population</u>
	<u>Revenues</u>	<u>Costs</u>	<u>Difference</u>	
I	\$ 7,106	\$ 4,452	\$ 2,654	46.5
II	4,147	1,287	2,860	24.8
III	3,603	1,627	1,976	65.1
IV	2,884	1,179	1,705	37.2
V	6,576	4,377	2,199	207.0
VI	20,256	3,670	16,586	31.0
VII	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
Total	\$44,572	\$16,592	\$27,980	411.6

As the above figures indicate, both on an individual and collective basis, annexation proceedings should produce an excess of revenues over costs. As previously explained though, over a period of time the eventual provision of water and sewer to existing developed areas will be the largest item of expenditure that might tend to turn the present financial depiction around.

In conclusion, it is recommended that all seven areas being proposed for annexation be brought within the city limits.

ENVIRONMENTAL ASSESSMENT STATEMENT

Pursuant to the requirements and guidelines of the National Environmental Protection Act, the Council of Environmental Quality, the U. S. Department of Housing and Urban Development, and the State Environmental Policy Act, the following is a summary of environmental considerations regarding the recommendations in this annexation study.

1. Abstract. This annexation study outlines the statutory requirements which must be met by the City of Oxford to annex contiguous areas. Seven areas are examined for degree of conformity to statutory requirements, and recommendations are made as to which areas should be annexed to achieve the community's goals and growth objectives.
2. Environmental Impact. The recommendations in this study, if implemented, will have a favorable environmental impact for the following reasons: (a) enlarged city limits will provide a higher tax base, thereby allowing the city to provide facilities such as improved sewage treatment to help protect the environment; (b) enlarged city limits as recommended will allow the city to develop economically; and (c) enlarged city limits will increase the city's population, as desired.
3. Adverse Environmental Effects. The recommendations, if implemented, should have no undesirable environmental consequences; the possible eventuality of road pavings and the laying of water and sewer lines will undoubtedly create a certain amount of environmental despoliation but the effects can be constrained by sound construction practices.
4. Alternatives. The primary alternative is "no action"; however, if annexation does not take place in Oxford, the city would not provide necessary municipal services to those proposed annexation areas.
5. Relationship Between Short-Term Uses of Man's Environment and Maintenance of Long-Term Productivity. By annexing areas contiguous to the town and providing them with needed public services, particularly solid waste disposal and fire and police protection, it will help maintain the health and safety of the residents through a decrease in dangers.
6. Irreversible Commitments of Resources. If the recommendations are followed, financial resources for water and sewer lines (eventually), street lights, fire hydrants, and street paving will be committed.
7. Interests and Considerations Offsetting Adverse Environmental Effects. It is believed that the state declaration of policy that "sound urban development is essential to the continued economic development of North Carolina" overshadows possible adverse environmental effects.

8. Federal, State, and Local Environmental Controls.

G.S. 143-215.1 Control of Sources of Water Pollution
Local Environmental Control Policies

9. Mitigation Measures. No applicable since undesirable environmental consequences of annexation are not anticipated.

APPENDIX
REPORTING REQUIREMENTS OF THE
FEDERAL VOTING RIGHTS ACT OF 1965

The Federal Voting Rights Act of 1965, Public Law 89-110, reenacted in August, 1975, is a federal law enacted to protect the voting rights of minority group members and to prevent dilution of the voting strength of minorities. Section 5 of this Act requires all municipalities in 41 designated counties to report to the United States Attorney General any legislative enactments or administrative practices which are adopted "affecting local elections". Under this Act, the Attorney General has 60 days to make any objections to the local change. If no objection is made within this time, the local enactment affecting elections may be enforced.

Local Action Affected

It has been held by the courts that the provisions of Section 5 require the reporting of any local changes, however minor, which affect elections. Included therefore within the reporting requirements are charter amendments to adopt optional forms of government under Part 4 of Article V of G.S. Chapter 160A, ordinances or administrative changes affecting ward or precinct boundaries, voter qualifications, or election procedures, local acts of the General Assembly affecting elections, and all annexation ordinances.

Procedures for Submissions
to the U.S. Attorney General

- (1) Time. Copies of local enactments affecting voting shall be submitted as soon as possible after they are effective, and are required by law to be submitted prior to enforcement.
- (2) Party Responsible for Submission. Changes should be submitted by, and are the responsibility of, the chief legal officer of the municipality, i.e., the city or town attorney, or other appropriate official.
- (3) Address for Submission. The reported information should be delivered or mailed to: Assistant Attorney General, Civil Rights Division, Department of Justice, Washington, D. C. 20530.
- (4) Form and Content of Submission. Submissions may be made by letter or other written form, in duplicate, with the name and title of the individual making the submission, the municipality represented, and all other required information clearly set forth. Each submission must include:

- a. A copy of the pertinent ordinance, resolution, or local act, certified by the town or city clerk.
- b. The date of final adoption of the change.
- c. Identification of the legislative body responsible for the change and the mode of the change, e.i., ordinance of city council, local act of the North Carolina General Assembly, etc.
- d. An explanation of the difference between the submitted change and the existing law or practice.
- e. A statement certifying that the change has not yet been enforced or administered, or an explanation of why such a statement cannot be made.
- f. With respect to annexations, election redistricting, or other complex changes, any other information which the Attorney General determines is needed to evaluate the purpose and affect of the change. If the Attorney General determines that such additional information is needed, he must advise the submitting municipality that the 60-day period for making objections will not begin to run until adequate additional information is received.

NOTE: For further information as to the format for submissions under the Act, municipalities should contact their respective county boards of election, or the State Board of Elections in Raleigh.

Additional Information Which May Be Submitted

The Voting Rights Act states that local governments making submissions are urged to include additional, supportive information insofar as it is available and relevant to the specific change submitted for consideration. Such additional information may include:

- (1) A statement of the reasons for the change.
- (2) A statement of the anticipated effect of the change.
- (3) A statement identifying any past or pending litigation concerning the change.
- (4) A copy of any other changes relating to the submitted change, and the reasons for the prior changes.
- (5) In the case of geographic changes affecting voting constituencies, such as redistricting or annexations, a map showing:
 - a. The boundaries of voting units existing before and after the proposed change.
 - b. Prior changes in voting unit boundaries, or references to prior submissions to the Attorney General under the Act.
 - c. Population distribution by race within the existing and proposed unit.
 - d. Natural features influencing the drawing of boundaries.
 - e. The location of polling places.
- (6) Detailed population information including population figures according to race and voter age in areas affected by the change, copies of population estimates used in formulating the change, and past election histories in the affected area.
- (7) Evidence of public notice or opportunity for the public to be heard, including newspaper clippings, press releases, copies of public notices, speeches, etc.

Notification from the U. S. Attorney General

At some time during the 60-day period after the Attorney General receives the submission, the submitting municipality will be notified whether or not any objection to the proposed change will be made. The Attorney General may object if he finds that denial or abridgement of the right to vote on account of race is either the purpose or the effect of the intended change.

If an objection is interposed by the United States Attorney General, the Act establishes several mechanisms for appeal and review, which are not covered in these materials. If an objection is received by a municipality, close consultation with the city or town attorney is in order.

